



*A recently built Southwest area subdivision and the northeast corner of Dennis Chavez Boulevard and Paseo del Volcan (looking northeast).*

## **Southwest Albuquerque Commercial District Retail Plan February 8, 2006**

Gibbs Planning Group, Inc.

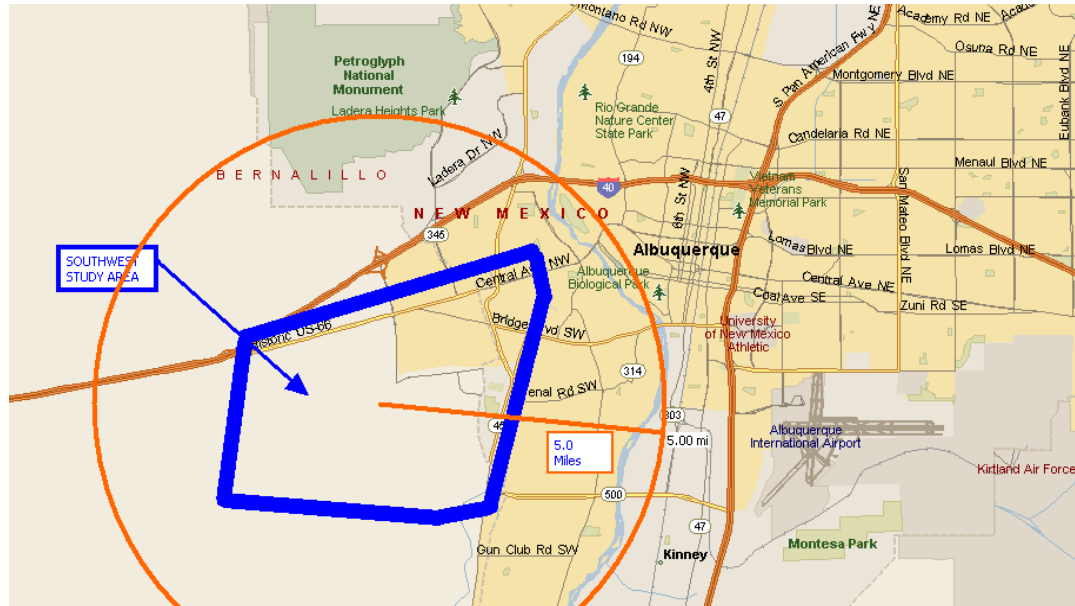
### **Executive Summary**

The Southwest quadrant of Albuquerque, New Mexico is rapidly expanding; mostly with young families living in moderately priced single family housing. The study area's estimated 40,000 population (as of 2004) is significantly underserved for basic retail goods and services. As a result, the residents presently must drive further than typical for most of their retailing needs, especially soft goods, groceries, restaurants and professional services. In addition, this lack of supply probably results in reduced competition, poorer service and higher prices. This study estimates that the Southwest's present 400,000 square feet of retail could be increased to over 1.5 million square feet by its potential build-out of 100,000 residents.

### **Background & Limits of Study**

Gibbs Planning Group, Inc. (GPG) was retained by Architectural Research Consultants to conduct a retail analysis of the Southwest area of Albuquerque, New Mexico. GPG's scope of services are to 1) Estimate the amount and types of retail development that is likely to be supportable within the study area; 2) Seek out community input regarding how much and what types of the supportable retail are desirable; and 3) Prepare a general master plan indicating where the supportable retail could be located inside of the study area. In addition, GPG's efforts are designed to enhance the overall quality of life for the residents of the Southwest Area. GPG has found that a neighborhood with useable retail that is both walkable and useful contributes toward desirable sustainable communities.

The findings of this study are intended to provide the City of Albuquerque with general observations and recommendations to be used as one of several factors for consideration in planning policy for the subject area. During this study, GPG thoroughly drove the Southwest subject site and adjacent areas, visiting most shopping centers and subdivisions.



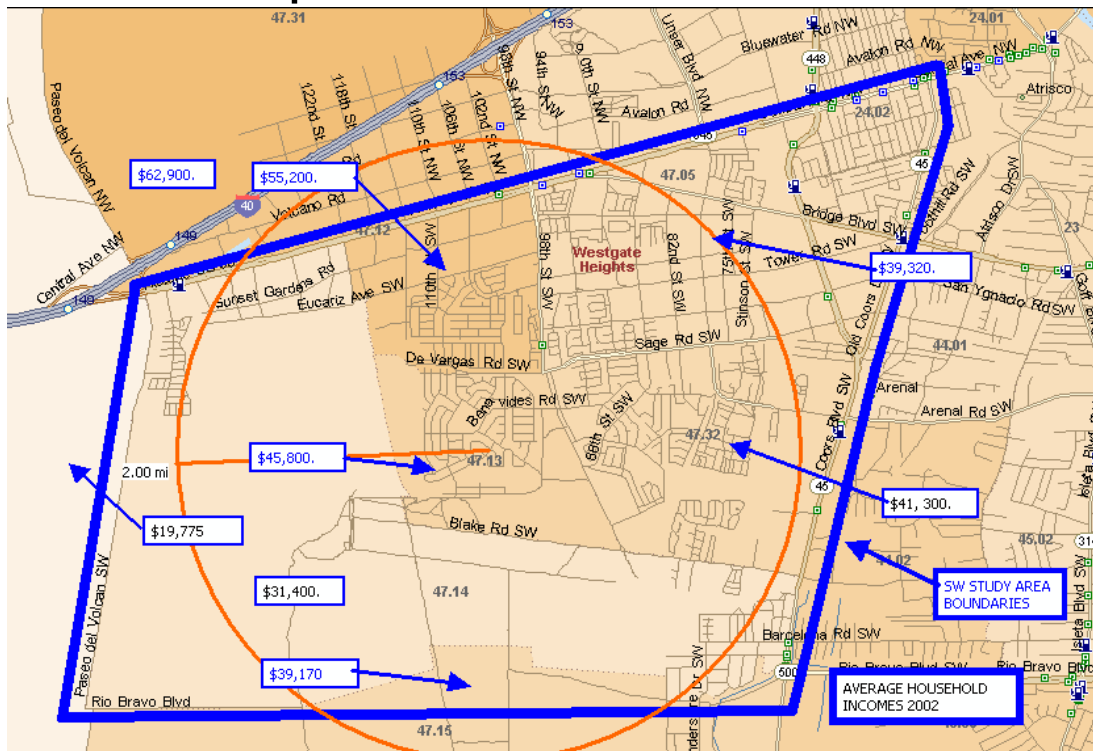
*The Southwest area is located approximately 6 miles from downtown Albuquerque.*

The findings of this study are based upon GPG's past experience with similar communities and the three (3) day workshop held on January 30 - February 1, 2006. This workshop included interviews with property owners, developers, residents, senior citizens, teenagers, real estate brokers, City staff, City and County elected officials and local business owners. These interviews have not been independently verified and the findings of this report should **not** be the sole basis for public policy, planning, land purchase, development or zoning codes. Additional research, planning and workshops are recommended prior to implementing any of the findings of this study.

### **Demographics & Shopping Preferences**

The Southwest area is among the region's most rapid growing and affordable. Young families are attracted by the area's affordable single-family homes often priced below \$150,000. As a result, many of the area's families have modest household incomes averaging below \$35,000 per year. Actual U.S. Census data indicate that the Southwest neighborhoods' 2002 average household incomes ranged from \$39,200 to \$55,200.

The Southwest area's present population of 40,000+ persons is expected to grow to over 50,000 by 2010. At full build-out (pursuant to existing and proposed plans, the Southwest area could total 100,000 persons living in approximately 40,000 households.



The Southwest area's 2002 annual household incomes range from \$31,400 - \$55,200 (U.S. Census)

In many ways, the young families are representative of the average American demographic profile. These families shop at discount department stores such as Wal-Mart, Old Navy, Dollar Stores and Ross Dress for Less. In addition, these families prepare most meals at home and shop at multiple stores for groceries including: warehouse stores, super stores, full-sized supermarkets, specialty markets and local corner stores. The large families also regularly eat out at a variety of restaurants ranging from fast food to casual sit-down dining.

### Existing Retail Development

Almost everyone interviewed during the workshops, including residents and business owners, agreed that the Southwest area has a severe shortage of retailers and shopping centers. This study estimates that there is approximately 400,000 square feet of existing retail development located in the southwest study area. This figure represents a ratio of approximately 10 square feet per southwest

resident, compared to the national average of 20 square feet per person and 38 square feet per person for the City of Albuquerque. (Note: Albuquerque serves as a major retail service center for a large portion of New Mexico, extending into northeastern Arizona and southwestern Colorado for some purchases.)



*The Southwest area has a small amount, but wide range, of retailers ranging from small food markets to major super stores. The above Wal-Mart store, located just outside of the planning area, contains more than 50% of the area's total retail square footage.*

The recently opened Wal-Mart is the area's largest retailer, containing more than 50% of the area's existing retail development. All people interviewed reported that they and their families shop at a Wal-Mart on a regular basis. The Smiths and Albertson's Supermarkets represent about 25% of the area's retail. Small specialty markets, restaurants and independent retailers make up the balance of the area's offerings.

Almost all of the existing retail is located along Coors Boulevard near the area's eastern edge. Some small food markets are scattered along Central Avenue and throughout the Southwest area. Surprisingly, little or no retail has developed at the Interstate 40 interchanges located along the northern edges of the study area. However, several major retail developments are being proposed for the I-40 and Central Avenue areas.

### **Additional Supportable Retail**

This study finds that the Southwest area can support approximately 1,500,000 square feet of **total** retail development at its final estimated build-out in 2020. This estimate is based upon the projected population of 100,000 persons, plus an additional 50,000 population living outside of the study area, but within the likely trade area. The likely trade area boundaries for the southwest area are estimated to be: the Rio Grande to the east, Interstate 40 to the north, and 10 miles to the west and south. Assuming that half of the population's shopping is done outside of the Southwest area (Cottonwood Mall, other area shopping malls, other

cities, catalogs, and the internet), then each resident would likely support 15 square feet of local retail. For comparison, the national average is 20 square feet of retail per person, and Albuquerque is reported to have over 38 square feet of retail per person.

This new retail development should be representative of mid-level local, regional and national retailers that have a wide appeal to main stream consumers.

Please find below a summary of GPG's estimated supportable types:

<b>Size</b>	<b>Shopping Center Type</b>	<b>No. Stores</b>	<b>Store Types</b>
50,000 sf of total space	Corner Store	20 Stores	7-11, Circle K, Independents
150,000 sf	Convenience Center	6 Centers	Cleaners, Banks, Grocery, Coffee
200,000 sf	Neighborhood Center	2 Centers	Supermarket, Hardware, Video, Bank,, Pharmacy, Restaurant
400,000 sf	Community Retail	2 Centers	Discount Department Store, Home Improvement, Books, Apparel, Sporting Goods, Restaurants

### **Potential Retail Development Locations**

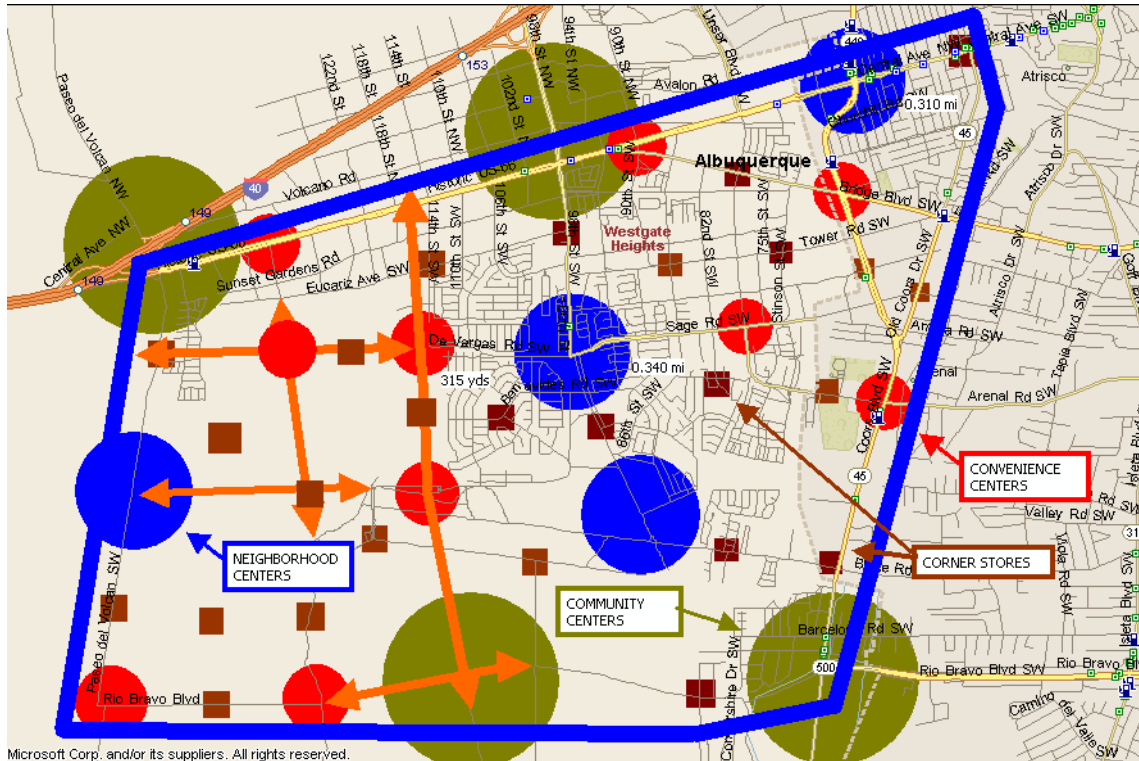
Assuming that up to 1.5 million square feet of total new retail may be supportable in the Southwest area by 2020, this study recommends that the retail be located throughout the Southwest area to enhance walk-ability and convenience. In addition, this study recommends that the retail be located only where it can be supportable by the private market.

- **Corner Stores:** Locate along Collector Roads, Parks, Schools and Neighborhood Entry Roads.
- **Convenience Stores:** Locate along Collector Road Intersections, Parks, Schools and Neighborhoods.
- **Neighborhood Centers:** Locate at Major Road Intersections.
- **Community Centers:** Locate at Major Regional Road Intersections or Interstate Intersections.

Please find below a map illustrating locations determined by GPG where the supportable retail types are likely to be both supportable (and desired by the market) and where their development can enhance the



surrounding residential. Note, GPG does not recommend that any or all of these proposed locations be developed as shown.



### Retail Development Plan & Guidelines

This study recommends that any retail planned within the Southwest study area be developed to both allow for a market rate of return for the investor and to enhance the quality of life for the area's residents. Most retailers will need to be located along major roads and highways, while smaller corner stores can locate within neighborhoods.

As much as possible, the new shopping centers should be designed as walkable open air centers, rather than strip centers. This newer format will allow for the centers to be competitive with future centers that are becoming common nationwide. As a guideline, the planning principles of the *Congress for the New Urbanism* and the *Urban Land Institute* should be considered standard for new retail development in the Southwest area.



*New retail development should incorporate the best practices of modern planning and design, including walkable streets, smaller parking lots, display windows, mixed-use and multi-level stores (A new Home Depot in suburban Vancouver, BC upper left and a large bookseller in Columbus, Ohio upper right).*

Please find a summary of the basic planning guidelines for commercial development in the Southwest area:

- Build streets to allow for pedestrian walkability and traffic calming.
- Provide for on-street parking in commercial areas.
- Place commercial buildings with a majority of buildings along sidewalks and street frontage.
- Plan for the long range, with consideration for commercial site renovations, additions and rehabilitation as market demands change.
- Encourage mixed land uses and multi-floor buildings.
- Require storefront windows along the first level.
- Improve sign design standards over existing City standards.
- Require enhanced landscaping.
- Improve the development approval process for quality centers.